

## Senate Concurrent Resolution No. 11

### RESOLUTION CHAPTER 111

Senate Concurrent Resolution No. 11—Relative to HIV and AIDS drug treatment.

[Filed with Secretary of State August 25, 2003.]

#### LEGISLATIVE COUNSEL'S DIGEST

SCR 11, Soto. HIV and AIDS drug treatment: public pensions.

This measure would encourage the governing bodies of the public pension and retirement systems of this state, in their capacities as shareholders of pharmaceutical companies that develop HIV and AIDS drug treatments, to take affirmative action, whenever consistent with their fiduciary responsibilities, to impel pharmaceutical companies to develop and implement a policy, in consultation with the appropriate United Nations agencies and independent nongovernmental organizations, to provide HIV and AIDS drug treatments in a manner that would make those treatments affordable to those infected in lesser developed countries.

WHEREAS, 8,500 people die every day from acquired immune deficiency syndrome (AIDS) despite the existence of pharmaceutical treatments that have drastically reduced deaths in the United States and other developed nations; and

WHEREAS, Human immunodeficiency virus (HIV) and AIDS are the leading killers in sub-Saharan Africa, home to only 10 percent of the world's population, but 70 percent of the world's HIV and AIDS cases; and

WHEREAS, The United Nations reports that in 2001, alone, more than 2,400,000 people in Africa died of HIV and AIDS; and

WHEREAS, A recent study by Doctors Without Borders concluded that in industrialized countries where HIV and AIDS patients receive drug therapy, AIDS-related mortality has decreased by more than 70 percent; and

WHEREAS, Unfortunately, these life-prolonging treatments remain largely out of reach for most of Africa's population due to the high prices of these drugs; and

WHEREAS, Certain pharmaceutical companies' reaction to the HIV and AIDS epidemic in developing countries has been insufficient, and significant restrictions have been imposed on the donation and



importation of critical drugs to HIV and AIDS patients in Africa and developing world nations; and

WHEREAS, For example, one pharmaceutical manufacturer attempted to impose time limits on the use of a particular life-extending drug, even though that drug must be used over a patient's entire lifetime; and

WHEREAS, These restrictions were unacceptable to the South African government, and the South African Medicines Control Council has recently given permission for the importation of a generic equivalent of the drug; and

WHEREAS, The public pension and retirement systems of this state have invested billions of dollars in the major manufacturers of HIV and AIDS drug treatments that can prolong the lives of individuals living with this disease; and

WHEREAS, The public pension and retirement systems of this state have demonstrated that accurate information relating to pharmaceutical manufacturer policies and practices relating to the availability and cost of their HIV and AIDS drug treatments and other products, may be best elicited through establishing and maintaining open lines of communication and dialogue on both informal and formal bases, and that developing partnerships for corporate responsiveness in these matters is similarly achieved; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Legislature and the State of California encourages the governing bodies of the public pension and retirement systems of this state, in their capacities as shareholders of pharmaceutical companies that develop HIV and AIDS drug treatments, to take affirmative action, whenever consistent with their fiduciary responsibilities, to impel pharmaceutical companies to develop and implement a policy, in consultation with the appropriate United Nations agencies and independent nongovernmental organizations, to provide HIV and AIDS drug treatments in a manner that would make those treatments affordable to the majority of those infected with HIV and AIDS in lesser developed countries; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to each member of a retirement board, as described in Section 17 of Article XVI of the California Constitution.

